

## Celebrate May as California Travel and Tourism Month!

*In observance of the 21st annual National Tourism Week, May 8-16, 2004, we invite you to celebrate the month of May as California Travel and Tourism Month!*

California tourism generates approximately \$78.2 billion each year in spending, employs nearly 900,000 Californians, and contributes \$3.2 billion annually in state taxes. Tourism is the fourth largest employer in California and the fifth largest contributor to the gross state product. And California is still the top U.S. travel destination worldwide.

"I love California!" said Governor Arnold Schwarzenegger at the CTTC's 2004 New York Media Reception and



Marketplace. "Travelers to our great state directly generate approximately one million jobs for Californians. It's no wonder. California has it all, from its scenic beauty to its magnificent cities. So, I challenge you, come see it for yourself!"

Following are some suggestions for spreading the word in your

community about tourism and its strong economic benefits: distribute a press release of what tourism means to your local economy (spending, jobs, taxes); pay a visit to your local legislators and politicians; dedicate a portion of an upcoming event to discuss travel and tourism impacts; contact Lisa Kruttschnitt, Director of Public Affairs (415-332-4450), if you'd like a guest speaker; add tourism's economic returns to a section of your Web site; or check out the new *California Fast Facts 2004* (see page 12) with updated tourism statistics on all California counties at [www.visitcalifornia.com](http://www.visitcalifornia.com). ★



*Governor Arnold Schwarzenegger appointed Sunne Wright McPeak to the cabinet-level position of Secretary of the California Business, Transportation and Housing Agency in November of 2003. As such, she is also the new Chair of the industry-led California Travel and Tourism Commission.*



## Meet the New Chair of the California Travel and Tourism Commission

**Q:** You are a native Californian who grew up on a dairy farm in San Joaquin Valley, received graduate and master degrees from California universities, have spent your career in leadership positions with California companies and organizations, and have been vigorously active in public service and the community. How does your extensive California background play into your new position?

**A:** First and foremost, I spent my formative years in the Central Valley, continued on to attend California universities via scholarships, served the community both as a public steward and elected official, and was also involved with private-sector work. So, in a sense, I feel I am one of California's "daughters" and truly appreciate what it means to "find yourself in California," strongly identifying with the California Travel and Tourism Commission's (CTTC's) marketing campaign tag line. Through

my variety of experiences, I've learned about the important roles housing, transportation and business (including tourism) all play in driving the economy. I've been able to work with exceptional tutors in the Concord and Contra Costa areas who are active in this state's travel industry, such as Hazel Sturm, Executive Director of the Contra Costa County CVB. My experiences also have given me perspective on California's tremendous potential, and I am honored to serve Governor Arnold Schwarzenegger in his quest to "bring back California."

**Q:** Prior to your new position, you served as President and CEO of the Bay Area Council and were a leader in this CEO-led public policy organization for 10 years. As well, you served as President and CEO of the Bay Area Economic Forum, and were a member of the Contra Costa County Board of Supervisors for more than 15 years, where your

work involved a great deal of public-private collaboration. How will your past experience help you to oversee California's tourism program and the California Travel and Tourism Commission?

**A:** My past experience has taught me that successful business programs utilize partnership and collaboration, where common ground needs to emerge from sometimes divergent interests. The 37-member Commission is a prime example. In serving as Chair, I plan to pull from past experience of working in support of both large organizational issues and smaller individual company matters

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**By Caroline Beteta**  
Executive Director,  
California Travel and  
Tourism Commission

# The First 100+ Days...

## New Leadership for California and the California Travel and Tourism Commission Takes the Helm with Action and Vision

New leadership and change is certainly California Travel and Tourism Commission's (CTTC's) calling for 2004. Despite the usual growing pains associated with change, the transition so far has been invigorating and quite successful.

First and foremost, California's recently sworn-in Governor did not miss a beat – establishing himself right away as the new leader for jobs and the economy, with tourism being an important part of the economic strategy for our state. Governor Schwarzenegger and first lady Maria Shriver quickly committed to being ambassadors for California tourism. In February, with a mere

one-week notice due to production schedules, Governor Schwarzenegger and Maria Shriver agreed to make themselves available on a Sunday afternoon to be filmed and edited into the CTTC's highly-acclaimed, 30-second "Welcome to California" television spot. The revised spot is scheduled to air in western U.S. markets in April, May and June. They also personally agreed to be added to the homepage of California Tourism's Web site, [www.visitcalifornia.com](http://www.visitcalifornia.com), with a photo and welcome message.

On the travel trade front, Governor Schwarzenegger participated in the CTTC's New York Media Marketplace and Reception, held in February in New York City, with over 40 California organizations representing a variety of tourism businesses. The Governor also committed to address the entire international delegation at 2004 Pow Wow in Los Angeles.

Finally, Governor Schwarzenegger has repeatedly asked for counsel and input on tourism policy, strategy, communications and appointments – and in a variety of instances, the dialogue of discussion and participation has extended beyond tourism to also include trade and economic development activities.

The direct links and positive rapport with this new Governor and the CTTC are certainly multi-faceted. He even moved swiftly to appoint Sunne Wright McPeak, a highly-charged professional with solid economic development credentials, as Secretary of the Business, Transportation and Housing (BT&H) Agency. By virtue of her incumbent responsibility, Sunne also serves as Chair of the CTTC and was active at her first Commission meeting in February. Despite overseeing BT&H, the largest state agency in California

with 15 departments that employ over 44,000 employees, her time and commitment to the CTTC has been stellar. Secretary McPeak has already begun to ensure synergistic benefits for California Tourism by coordinating communications and potential activities with related departments, such as the Department of Motor Vehicles, CalTrans, the California Highway Patrol, the California Film Commission and the Employment Development Department.

New leadership has also been installed on the industry-elected side of the CTTC. A referendum was held in January to elect 10 new commissioners and re-appoint three commissioners to serve four-year terms. Those commissioners represent the four principle industry categories: Accommodations; Attractions and Recreation; Restaurants and Retail; and Transportation and Travel Services.

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## "Welcome to California" Adds Governor Arnold Schwarzenegger and Maria Shriver for Spring 2004



California Tourism is pleased to announce the addition of Governor Schwarzenegger and first lady Maria Shriver to its highly-acclaimed, 30-second television spot "Welcome to California." This spot showcases unique stars and icons with a high-energy, fun and upbeat California attitude. Other celebrities appearing in the spot include: Jack Nicholson, Clint Eastwood, Michael Eisner, Wolfgang Puck and pro-skier Glenn Plake. The revised spot begins with a "welcome to California" message from the Governor and his wife while they stroll along the magnificent coastline — showcasing the California lifestyle and unique brand that heightens interest to visit this great destination.

Having the Governor appear in the spot also helps to further his very important goal of selling the state and "visiting our very special attractions" for critical economic development purposes, as he presented in his January State of the State address. Given that state funding for tourism marketing was not included in the proposed budget released in January, such an act by the Governor to appear in the spot demonstrates his stated commitment to help support California's tourism promotional activities – creating a "win-win" scenario for his new administration, the travel and tourism industry, and most importantly, for the California economy! ★

## California Tourism Has Moved!

California Tourism recently moved its office location to join the California Business, Transportation and Housing (BT&H) Agency main headquarters. The new address is:

California Tourism  
980 9th Street, Suite 480  
Sacramento, CA 95814  
Tel: 916-444-4429  
Fax: 916-444-0410

All telephone and fax numbers, and e-mail addresses of California Tourism staff remain the same.



# New York Media Step into California!



California Governor Arnold Schwarzenegger was introduced by CTTC Executive Director Caroline Beteta, and addressed 150 New York travel and business media, challenging them to come and see California!



Governor Schwarzenegger meets Nancy Novogrod, Editor in Chief of Travel & Leisure.



Legoland's display was one of 34 California marketplace tables providing story ideas to key New York media.

New York travel press discovered a wealth of creative story ideas on February 24 at the California Travel and Tourism Commission's (CTTC's) 2004 New York Media Reception and Marketplace. Forty-four delegates, representing destinations, accommodations, attractions and California businesses, made the journey to the Westin Essex House on Central Park to meet with approximately 150 key New York media. Media attendees included: *Arthur Frommer's Budget Travel*, *Bon Appétit*, *Conde Nast Traveler*, *Elite Traveler*, *fodors.com*, *Food & Wine*, *Men's Journal*, *Money*, *New York Post*, *New York Times*, *Spa Finder*, *Today Show*, *Town & Country*, *Travel & Leisure*, *Woman's Day*, and many others.

In addition, the California delegation was joined by Governor Arnold Schwarzenegger, whose presence added a great deal of excitement to the event! The Governor addressed members of the travel media and challenged them to visit him in California. "I love California!" said Governor Schwarzenegger. "Travelers to our great state directly generate approximately one million jobs for Californians. It's no wonder. California has it all, from its scenic beauty to its magnificent cities. So, I challenge you, come see it for yourself!" His appearance at the event demonstrated his strong support for the state's tourism industry.

California delegates participating in the event included: The Argent Hotel San Francisco, Barona Valley Ranch Resort and Casino, Berkeley Convention & Visitors Bureau, Beverly Center, Booth Creek Resorts, California Travel and Tourism Commission, Cannery Row, CityPass, Delaware North Companies Parks & Resorts - California, The

San Diego Convention & Visitors Bureau, San Francisco Convention & Visitors Bureau, San Mateo County Convention and Visitors Bureau, Santa Barbara Conference & Visitors Bureau, Santa Monica Convention & Visitors Bureau, SeaWorld San Diego, Shop California, Six Flags California, Sonoma County Tourism Program and Universal Studios Hollywood.



Forty-four delegates from thirty-four companies joined the 2004 California delegation in New York at the Westin Essex House on Central Park.

Disneyland Resort, The Fontayne Group, Huntington Beach Conference and Visitors Bureau, LA Inc. The Convention and Visitors Bureau, Lake Tahoe Visitors Authority, LEGOLAND California, Long Beach Area Convention & Visitors Bureau, Mammoth Mountain Ski Area, Marina del Rey Convention and Visitors Bureau, Newport Beach Conference & Visitors Bureau, North Lake Tahoe Resort Association, Novom Marketing Inc., PIER 39, The Queen Mary, Sacramento Convention & Visitors Bureau,

The event has received tremendous media coverage. Within the first week, over one million media impressions were generated. Stories aired on KCAL, KCBS and KTTV in Los Angeles, KPIX in San Francisco, KQVR in Sacramento and KGPE in Fresno, along with network affiliates in upstate New York and Gainesville, Florida. Governor Schwarzenegger's appearance at the CTTC media event was also included in a *Los Angeles Times* story about his first 100 days in office. The official event press release appeared on *Yahoo! News* and in the *San Francisco Chronicle*. ★



As we moved through the fall and winter months, the record-breaking activity on California Tourism's Web site ([www.visitcalifornia.com](http://www.visitcalifornia.com)) leveled off slightly. However, compared to the previous year's activity, September 2003 through January 2004 proved to be busy months. Visitor sessions\* totaling 1,107,628 represented an increase of 198,343 over the same period last year. In addition, 432,420 unique visitors\*\* were recorded during these five months, compared to 390,139 for the same period last year.

Following are highlights for the period including September 2003 through January 2004:

\* **Long September:** During the month of September, the average visit length to California Tourism's Web site was 9 minutes and 16 seconds. This is nearly two minutes longer than the average visit length for September 2002!

\* **International Internet:** Ranking just behind the U.S., Japan had the most active visitation on [www.visitcalifornia.com](http://www.visitcalifornia.com) during this five-month period. Japan, taking up nearly 2% of the total visitation on average, was followed by Canada, Australia and the United Kingdom.

\* **Mapping It Out:** The most downloaded file on [www.visitcalifornia.com](http://www.visitcalifornia.com) was the California state map. Over this five-month period, the number of map downloads averaged 106,086 per month, representing 64% of total downloads on the Web site!

\* A **visitor session** is the number of distinct people who visit the site. This is estimated by grouping together all hits from one Internet provider address, with no more than 30 minutes between each hit, into one user session.

\*\* **Unique visitors** are counted by using the visitor's IP address, domain name or cookie.

## News from the California Travel and Tourism Commission

### February 2004 Marketing Committee and Commission Meeting

The California Travel and Tourism Commission (CTTC) and Marketing Committee gathered for a full-day meeting in Sacramento on February 3. Following are key highlights of the meeting:

- **Introduction/Overview by New CTTC Chair:** New CTTC Chair, Sunne Wright McPeak, started the meeting with an overview of the new administration and her responsibilities as Secretary of the 44,000-employee California Business, Transportation and Housing (BT&H) Agency. She stated that as the fourth largest industry in the state, tourism was extremely important in creating jobs and revenues for the economy. She said that unfortunately the state of California was not currently able to provide public funding for tourism marketing, but expressed hope that funding would be restored at some future date to match the industry's private sector investments. McPeak also stated that the CTTC served as a model of how other programs should be structured, with strong industry support that resulted in funding for marketing programs, and just as importantly, industry leadership that directed those programs.
- **Announcement of Referendum Results:** Secretary McPeak announced the completion and

results of the fourth referendum. These results are detailed in the Executive Director's article on page 2. In addition, McPeak stated that the industry voted to keep the assessment level at \$450 per \$1 million in gross-operating, tourism-related revenues.

- **Executive Director's Report – Meeting Objectives:** Executive Director Caroline Beteta expressed that she was excited to be working with the experienced group of new CTTC Officers and Commissioners. (See Executive Director's article on page 2). Beteta stated the primary objectives of the meeting were two-fold: to review California Tourism's 2004-2005 marketing plan and make sure every dollar was being spent most effectively, particularly in the midst of the current budget reduction; and to review assessment operations and revenue collection to ensure the program continued with an appropriate level of funding.
- **Government Affairs Committee:** The Commission approved the formation of a Government Affairs Committee to increase communication with the Legislature about the key benefits tourism brings to the economy. The message would be that allocating state funding for tourism would yield a strong return-on-investment back into the state's general fund. (Since the new committee was formed, several in-person and conference call meetings were held.)

- **Overview of Marketing Activities:** Beteta reported that the CTTC was actively working on a variety of upcoming marketing and promotional programs, including: producing the New York Media Reception and Marketplace (February); participating as a major sponsor at International Pow Wow in Los Angeles (April); updating California Welcome Center legislation; and revising the 30-second "Welcome to California" television spot with the Governor and first lady (April 19 airdate).
- **Strategic Planning on Assessment Operations:** Commissioners broke out into the four principal industry categories (Accommodations; Restaurants and Retail; Attractions and Recreation; and Transportation and Travel Services) to discuss current levels of assessment and enforcement procedures. After reconvening, summaries of each breakout session were presented. In most of the sessions, it was felt that the assessment threshold level of \$1 million should be reduced to a lower amount to include more tourism-related businesses, with the majority of people suggesting \$500,000 as the new minimum. Suggestions were also made to expand the assessment categories to include companies that weren't now included, but that were benefiting from tourism business. Publicly noticed meetings and conference calls will continue through June to reach industry

### CTTC Regional Marketing Representatives

CTTC regional marketing representatives continue to meet with tourism-related businesses and travel colleagues throughout the state to spread the word about the extensive California Tourism marketing and cooperative programs available – many at little or no cost! We encourage you to contact your local marketing representative:

Region	Representative	Contact Information (E-Mail; Phone)
All Regions	Jennifer Jasper	<a href="mailto:jjasper@cttc1.com">jjasper@cttc1.com</a> ; 916-447-0981
City of San Francisco	Jason Pacheco	<a href="mailto:jpacheco@cttc1.com">jpacheco@cttc1.com</a> ; 707-224-9007
San Francisco Bay Area and Central Coast	Jean Johnstone	<a href="mailto:jjohnstone@cttc1.com">jjohnstone@cttc1.com</a> ; 510-652-3294
Northern and Central CA	Shellie Cook	<a href="mailto:scCook@cttc1.com">scCook@cttc1.com</a> ; 916-933-2433
Northern and Southern CA Mountains	Pettit Gilwee	<a href="mailto:pgilwee@cttc1.com">pgilwee@cttc1.com</a> ; 530-583-2138
Ventura, L.A. and Orange County	Bob Amano	<a href="mailto:bamano@cttc1.com">bamano@cttc1.com</a> ; 626-698-6044
San Diego, Inland Empire and Deserts	Kathy Anderson	<a href="mailto:kanderson@cttc1.com">kanderson@cttc1.com</a> ; 760-635-1375

*Please note these designations are for outreach purposes to the assessed business community, and do not replace the established 12 California Tourism regions used for most marketing purposes.*



recommendations and conclusions regarding amendments to the current assessment operations program.

• **Legislation to Include Gaming:**

A motion was passed to have the California Travel Industry Association (CalTIA) initiate a spot bill into legislation to allow the gaming industry to voluntarily participate in the assessment program.

- **Budget Update:** Beteta stated that the anticipated budget for the 2004-2005 fiscal year is \$6.3 million from assessment revenues. The amount is less than the 2003-2004 fiscal year budget, because last year there was an additional \$1.6 million in carryover funds.

- **Marketing Plan & Committee Structure:** Commissioner Bilby reported that due to reduced funding, the Marketing Advisory Committee is facing some tough challenges and decisions and will need to prioritize among programs. She reported that she had spent considerable time with CTTC staff reviewing program goals and

challenges. Bilby handed out two different marketing plans for the group to review. After a discussion of the options, a motion was passed to work with the plan that retained most of the marketing programs at reduced funding levels, with recommendations for staff to evaluate certain programs and to consolidate the cooperative programs. In addition, Bilby announced plans to make procedural improvements to the Marketing Committee, in cooperation with the CTTC's Executive Committee, that would include the creation of working subcommittees to increase opportunities for participation.

- **Marketing Activity Update:** An update was given by the Advertising Committee that included: the new spring cooperative insert (see page 6); discussions with potential cooperative partners; and *The Best of California* (TBOC) television series, scheduled to begin airing in April in 18 western U.S. markets, with a potential reach of 15 million TV households.



*Pictured at the CTTC's business reception following the all-day Commission meeting on February 3 are (left to right): Caroline Beteta, CTTC Executive Director; Sunne Wright McPeak, CTTC Chair and Secretary of the Business, Transportation and Housing (BT&H) Agency; Ted Burke, CTTC Vice Chair and Owner of Shadowbrook Restaurant; and Claire Bilby, CTTC Vice Chair and Vice President of Sales and Distribution Marketing for Walt Disney Parks and Resorts.*

- **Upcoming Marketing and Commission Meetings:** The next meetings will take place in Marina del Rey on the following dates: Marketing Committee and Assessed Business Reception on June 23; CTTC Executive Committee and full Commission on June 24, 2004.

Sacramento, Napa Valley Conference & Visitors Bureau Luncheon, North Bay Economic Outlook Conference, San Francisco Hotel Council Luncheon, Shop America Conference in San Diego, California Conference on Tourism in Monterey, California Society of Association Executives Conference in Sacramento, and a variety of convention and visitors bureaus and their members across the state. Presentation topics included: the economic impact of tourism; an update on the new administration and budget levels; a highlight of 2004 marketing programs, with emphasis on the advertising campaign and *The Best of California* television series; urban and rural tourism promotion; and cooperative opportunities to partner with the CTTC.

CTTC educational presentations, in partnership with tourism-related businesses and convention and visitors bureaus across the state, are conducted on an ongoing basis. To discover how to secure a presentation for your area or organization, or to receive more information about the CTTC's marketing programs, please call Lisa Kruttschnitt, Director of Public Affairs, at 415-332-4450 or [lkkruttschnitt@cttc1.com](mailto:lkkruttschnitt@cttc1.com). ★

## Assessment Revenues

As of March 16, the 2003-2004 Assessment Program had generated revenues of \$5.3 million. Expected revenues for the entire fiscal year are \$6.3 million. Assessment revenue distribution by industry segment remains consistent with prior years: approximately 66 percent attributable to accommodations, 14 percent to restaurants and retail, 11 percent to transportation and travel services, and nine percent to attractions and recreation.

## CTTC Educational Presentations

Since the last *Insights* issue, CTTC staff delivered educational presentations at the following events and conferences: Sonoma County Tourism Conference, Central Coast Tourism Council Luncheon, California Hotel & Lodging Association Legislative Day, CTTC Commissioner Overview in

# Tourism Again Key Focus at CH&LA Legislative Day



*Pictured during the California Hotel & Lodging Association (CH&LA) Legislative Day on March 3 in Sacramento are (left to right): Jim Abrams, Executive Vice President, CH&LA; Caroline Beteta, Executive Director, California Travel and Tourism Commission (CTTC); and Hitesh Bhakta, Chairman, Asian American Hotel Owners Association. Beteta presented an overview of the current state of the travel industry and the CTTC's marketing programs to the 161 CH&LA members attending the event.*

# Co-op Corner



## California Tourism Promotes Spring and Summer Travel with New Cooperative Campaign!

"Live life to the fullest and put pleasure first" is the key message of California Tourism's spring cooperative campaign! Using an engaging insert, the program seeks to drive western U.S. residents to choose California as their first choice for spring and summer travel. The advertorial blends California's unique mixture of geography, scenic beauty and weather, with its youthful, laid-back and inviting attitude. These elements form the underlying theme to attract the potential visitor to California's most popular activities and destinations. The cooperative insert will run in the May 2004 issues of *National Geographic Traveler*, *Frommer's Budget Travel* and *Travel & Leisure*, concurrent with the highly acclaimed, 30-second "Welcome to California" television spot.

Travel industry members are encouraged to get involved in the spring 2004 campaign by taking advantage of the free online "Offer Wizard," a fully interactive, itinerary-based planning tool that highlights special travel values and incentives on [www.bestofcaliforniatv.com](http://www.bestofcaliforniatv.com) and [www.visitcalifornia.com](http://www.visitcalifornia.com). To participate, go to [www.offerwizard.com](http://www.offerwizard.com) and click on "Business Registration." Once the general information under "Biz Info" has been entered and approved, California companies can submit offers that travelers can review and add to their personal "California Vacation Offer Suitcase." For more information, contact Susan Wilcox, Chief Deputy Director, at 916-444-0430 or [swilcox@cttc1.com](mailto:swilcox@cttc1.com). ★

## CTTC for FREE!!!

California Tourism is working hard to provide free marketing opportunities to our valued assessed business partners with a variety of programs including: the online "Offer Wizard" promoted by the spring 2004 print cooperative campaign, *What's New in California*, Culture California, Shop California, Research, California Meetings and Incentive, the United Airlines Employee Travel Web site, and many more! To participate or obtain more details on any of these programs or benefits, contact Susan Wilcox at 916-444-0430 or [swilcox@cttc1.com](mailto:swilcox@cttc1.com). ★

## Shop California... An All-Season Activity!

Shop California's recent winter and spring cooperative advertising campaigns have continued to promote shopping as a year-round activity! In the past year, members of the Shop California retail organization have reached over one million consumers via the cooperative print campaign, over 15 million households in the western U.S. through *The Best of California* TV series, and over 300 travel trade specialists through trade show participation. Supporting these efforts, the [www.shopcalifornia.org](http://www.shopcalifornia.org) Web site provides a guide to navigate through California's varied shopping destinations, including world-class shopping centers, name-brand boutiques, outlet malls, outdoor marketplaces, specialty shops and more. A value-added offer provides a downloadable voucher from the Web site to receive savings and incentives at participating locations. Retailers are invited to take advantage of the wealth of opportunities by joining Shop California or by obtaining a free listing at [www.shopcalifornia.org](http://www.shopcalifornia.org). For details, contact Susan Wilcox at 916-444-0430 or [swilcox@cttc1.com](mailto:swilcox@cttc1.com). ★



At the Shop America Tourism Conference in January, Shop California was awarded with a SASI (Shop America Salutes Innovation) Award for the [www.shopcalifornia.org](http://www.shopcalifornia.org) Web site.

## Asian and Pacific Islander Heritage is 2004 Focus

Each year, the California Cultural Tourism Coalition focuses on one of the many cultural dimensions that make up the Golden State's rich tapestry of diversity. This year's theme features Asian and Pacific Islander Heritage with a travel planner that highlights museums and special events. This unique insert is running in the May issue of *Sunset* in California, Oregon and Washington, with a total distribution of one million. Visit [www.culturecalifornia.com](http://www.culturecalifornia.com) to learn more about California's rich cultural history and opportunities. The Web site offers free cultural event listings throughout the state. For sponsorship and advertising opportunities, contact Susan Wilcox at 916-444-0430 or [swilcox@cttc1.com](mailto:swilcox@cttc1.com). ★

## The Best of California (TBOC) Television Enters Third Year

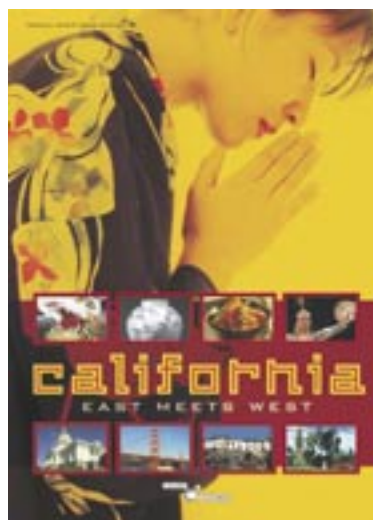
The new 13-week season of TBOC television series and Web site launched on April 3, 2004. Within this highly entertaining TV series, the travel writers and editors of *Sunset* magazine explore all facets of California tourism. The series is running in 18 western U.S. markets and has the potential to reach 15 million TV households.

Expanding the series to the Latin market, the Spanish language version of TBOC (*Lo Mejor de California*) that began airing last fall in all five Telemundo California markets will continue this spring.



The interactive [www.bestofcaliforniatv.com](http://www.bestofcaliforniatv.com) Web site continues to provide additional details on travel products, with streaming video, special deals and downloadable coupons via the "Offer Wizard." The series is receiving promotion through *Sunset* magazine ads and by way of weekly travel prizes promoted on-air and on [www.bestofcaliforniatv.com](http://www.bestofcaliforniatv.com).

For more information on a wide range of TBOC advertising and sponsorship opportunities, contact Patti Archuletta of K2 Communications at [patti\\_archuletta@k2communications.com](mailto:patti_archuletta@k2communications.com) or 310-563-2610. ★



## California Golf Program Opens New Marketing Doors

California Golf's dedicated [www.californiagolf.com](http://www.californiagolf.com) Web site, the *California 2004 Official Golf Guide* and the newly completed 13-episode television series have attracted the attention of a variety of new cooperative marketing partners. For more information on any of the California Golf activities below, contact Terry Selk, Director of Travel Trade Development, at 916-319-5411 or [tselk@cttc1.com](mailto:tselk@cttc1.com).

## Beringer Blass UK Mixed Pairs Golf Championships

Beringer Vineyards and California Tourism will partner together to promote the state's golf product and packages in nearly 2,000 golf clubs in the UK and Europe between March and August 2004. Six male and female pairings will emerge from the six-month playoff competitions to qualify for the championship rounds in September 2004 in Sonoma and Napa. The *California 2004 Official Golf Guide* will be distributed to club members throughout the promotional period, and selected golf packages across the entire state will be offered to competitors.

## Golf Digest Japan

California Tourism and *Golf Digest Japan*, with the assistance of the U.S. Commercial Service in Japan, jointly exhibited at a new U.S. Golf Fair in Japan in late February, offering newly developed golf packages in several destinations across the state. The packages will be promoted for key travel periods in the Japanese travel calendar, including Golden Week, summer travel and holiday periods.

## United Airlines 1K Web Site Launch

California Tourism partnered with United Airlines during the launch of their new Web site dedicated to their 1K Mileage Plus Partners (those traveling 100,000+ miles per year). California Tourism facilitated a sweepstakes trip for a lucky winner to travel to the AT&T Pro Am in Monterey, February 5-8. The prize consisted of four nights lodging, golfing privileges and attractions tickets. Prize contributors are linked from United Airlines' Web site to the Monterey page on [www.californiagolf.com](http://www.californiagolf.com), where non-winners have the opportunity to purchase packages through June 2004.

## California Golf Television Series

The newly completed California Golf television series consists of 13 episodes and features a wide range of golf product statewide. Golf and non-golf activities are featured in the series, and packages are offered on [www.californiagolftv.com](http://www.californiagolftv.com). The series will play worldwide on the entertainment system of sponsor United Airlines over the next three years. In addition, the series will air on various golf and sports networks, including *The Golf Channel* and *The Travel Channel*. The golf series will also be distributed via DVD, with all content being made available on the Web site for easy viewer access.

## Bogey Golf Magazine Coverage

As part of a cooperative agreement, *Bogey* magazine, a relatively new publication in the UK golf market, will highlight destinations and products featured in the California golf television series in each of its quarterly issues for an 18-month period. ★



The First 100+ Days...

continued from page 2

The following executives comprise the 2004 slate:

*Accommodations:* Rick Anderson, Owner, Casa Tropicana in San Clemente; Timothy J. Bridwell, General Manager, Fess Parker’s Doubletree Resort; John Douponce, General Manager, Le Montrose Suite Hotel; Jon S. Handlery, Senior Vice President and General Manager, Handlery Union Square Hotel; Reggie McDowell, Regional Vice President, Interstate Hotels/MeriStar; Cormac O’Modhrain, General Manager, Hyatt Regency Huntington Beach Resort; J.P. Patel, Owner, Best Western Colony Inn in Atascadero; Reint Reinders, President and CEO, San Diego

Convention & Visitors Bureau; and Terry Westrope, Vice President of Administration and Finance, Sterling Hotels

*Attractions and Retail:* Heidi Geier, Senior Vice President Sales, Universal Studios

*Restaurant and Retail:* Tom Voltin, Vice President/General Manager, SAKS Fifth Avenue

*Transportation and Travel Services:* Terry MacRae, President, Hornblower Cruises and Events; and Diana Meinhold, Vice President of Travel Products and Services, Automobile Club of Southern California (AAA)

These individuals were elected by the industry because of their commitment and leadership responsibilities in their respective professional capacities. They

have already begun the challenging but inspiring task of strategically positioning California as a premier travel destination.

Leading this esteemed group of individuals are the CTTC’s newly-elected officers: CTTC Vice Chair of Marketing Claire Bilby, Vice President of Sales and Distribution Marketing for Walt Disney Parks and Resorts; CTTC Vice Chair of Executive Operations Ted Burke, Owner of Shadowbrook Restaurant; and CTTC Chief Financial Officer Terry MacRae, Owner of Hornblower Cruises and Events. These three leaders have quickly established their respective roles, responsibilities and vision for the tasks they were elected to accomplish. So far, their new leadership has already resulted in strategic planning

and operational improvements to the CTTC’s assessment program, marketing activities, and overall policies and procedures. Their invaluable professional knowledge and commitment to the CTTC are sure to continue through this year and beyond.

While California continues to struggle economically, and the CTTC looks to augment resources to continue with successful marketing programs, we are fortunate to have terrific leaders at the helm. With the CTTC’s favorable relationship with Governor Schwarzenegger, a bold new CTTC Chair in Sunne Wright McPeak, and new CTTC officers and commissioners, I look forward to a challenging and productive year for California Tourism and the entire California travel industry! ★

Meet the New Chair of the California Travel and Tourism Commission

continued from page 1

to help provide leadership for the CTTC. Specifically, this means taking good ideas raised by leaders in the travel industry and helping to make them a reality.

Q: As Secretary of the Business, Transportation and Housing (BT&H) Agency, you direct California’s largest government agency with 15 departments including Caltrans, the CHP and the DMV. How can Tourism benefit from being part of this large and powerful agency?

A: There is actually great synergy between departments within BT&H that relate to tourism. With regard to Caltrans, you have a transportation program which is core to visitor infrastructure, specifically road closures due to snow conditions or disasters like mud slides, earthquakes and fires. Caltrans can facilitate in the area of signage, helping visitors get to their destinations. The CHP is crucial to visitor safety, including coordinating communications and providing assistance. The DMV allows for a variety of potential collaboration, with its statewide locations serving as huge “walk-in” traffic areas for people with driving on their minds, and the natural promotion of the state’s scenic drives and attractions. In addition, BT&H has a lead role in economic development, and tourism is an important part of the BT&H family

because it is a huge generator of jobs, spending and taxes.

Q: Workers compensation reform is a top agenda item for the Schwarzenegger administration. What impact could the proposed reforms have on California’s tourism industry?

A: The travel industry has the same concerns as any other business in California. Reforms would provide relief to the businesses that employ Californians, and thus, foster the creation of new jobs, and ensure that employees are fairly provided with the services needed to deal with an injury on the job. A healthy California travel industry that benefits from meaningful workers compensation reform also provides an incentive for more capital investment in this important sector, which in turn, drives increased visitation due to additional visitor services and activities – a “win-win” scenario for all.

Q: Job creation is also a top agenda item for the Governor’s administration. With tourism being a powerful job generator, how can the administration and the travel industry work together to increase the number of jobs in this state?

A: My principle responsibility is to ensure that the services within BT&H are delivered most efficiently to the taxpayer, because a well-run government infrastructure is part

of a catalyst for economic growth. For example, it is important that California has the necessary transportation infrastructure to move goods and services, and the necessary housing infrastructure to support a large and diverse workforce. Further, it is important to continue collaborating on key initiatives – both on a marketing and policy front – to optimize the precious resources needed to achieve this goal.

Q: Governor Arnold Schwarzenegger recently participated in a production shoot and was edited into the new “Welcome to California” television spot running this spring. Are there other promotional activities that the Governor can get involved in to help extend the tourism message worldwide and drive visitation to California?

A: I think you’ll see this Governor involved in a variety of activities. Already, he has been edited into the new television spot, he attended the CTTC’s New York Media Reception and Marketplace, and will address the international travel trade delegation at 2004 Pow Wow in Los Angeles. This Governor understands the job and revenue-generating potential of tourism, and he is passionately committed to supporting tourism in whatever ways he can. He also understands the ability of his involvement, particularly overseas, to actually motivate travel by his presence – no other Governor could actually be a spokesperson for the California’s tourism product, but he can.

Q: How do you see your new role as Chair of the California Travel and Tourism Industry?

A: I believe I can do the most good in providing leadership, vision and a strong synergy with the other economic development programs within BT&H. What is nice about the Commission is that this board of directors is already comprised of extremely talented, senior travel industry executives. So I can assist by serving as a neutral facilitator to help forward their agenda and eliminate any conflict due to the fact that many are competitors.

Q: Are there any programs or initiatives that you personally would like to incorporate into California’s tourism marketing efforts?

A: I would like to find an important role for past commissioners. They are still leaders and want to stay involved, and their experience is invaluable. So we are working on that effort. I would also like to find new ways to empower industry involvement and participation. At the same time, we need to ensure that the industry is responsible for participating and spearheading this very important program that they’ve created. As we move into the future, we all need to nurture this important program and vital industry. The more people who are actively involved, the more successes we will foster for the common good of the travel and tourism industry. ★



## The latest news from California Tourism's travel trade and public relations representatives in Australia, Brazil, Germany, Japan and the United Kingdom.

### Australia

Representatives Leeanne Dyer and Fred Sparksman report that the end of 2003 and the beginning of 2004 have Australia sitting in a strong and positive position in regards to the travel industry. The Australian dollar has soared to a six-year high of \$.78 and economists have revised the dollar expectations to a \$.85 level by the end of 2004. With the increase in the Australian dollar, wholesalers are reporting a noticeable increase in business, with some advising that business is up at least 35% over the same time last year.

The Australian economy rose solidly in 2003, despite the impact of a severe drought, weak world demand, the SARS epidemic and the impact of security concerns on tourism. Australia's real GDP growth averaged 2.7% for 2003, and is forecast to rebound to 3.5% in 2004, thanks to a recovery in external demand and a rebound in the farm sector. Unemployment has also reached a 22-year low of 5.6%.

### Brazil

New leadership in Brazil led the country to a strong economy recovery in 2003. Local currency saw significant gains against the U.S. dollar, and as of February, was 2.9 real per dollar, compared to 3.85 real at the beginning of 2003. Brazil's gross national product is increasing each month and inflation seems to have stabilized at around 6% for 2004. Furthermore, the International Banks and Investments Agency has significantly dropped the risk factor for Brazil to a level never seen in the last five years.

Despite additional visa issuance restrictions worldwide, tourist departures to the U.S. are up over the last five months. Airlines have restored service between the two countries to pre-9/11 capacity, and California surpassed Orlando in 2003 in the number of visitors for the first time ever. California Tourism's own leisure product program, California Vacations, in partnership with American Airlines, Alamo Rent a Car, New World Travel and twelve local tour operators, produced over \$1 million in direct sales in its first year of operation. The program is being expanded and upgraded in cooperation with *Panrotas*, Brazil's most important trade publication.

### Germany, Switzerland and Austria

Germany's rebound is slower than expected despite the recent strengthening of the euro. Concerns

over the domestic economy appear to be the primary factor, as worries over tighter U.S. security appear to be diminishing. The U.S. Office of Travel & Tourism Industries expects 5-7% annual growth of German incoming traffic until 2007.

German tour operators offering travel to the U.S. are optimistic. For example, Explorer Fernreisen reports an increase of 19% in 2003 and expects double-digit growth in 2004. Thomas Cook reports an increase of 50% in 2003 and expects 100% growth for winter 2004. Canusa, Airtours, DERTOUR, ADAC, Meier's Weltreisen, FTI and TUI also show confidence in the market for travel to the U.S.

In December, Gerhard Schröder, the German chancellor, struck a landmark deal with the conservative opposition, paving the way for the most ambitious package of economic reforms since the country's reunification. The reforms, combined with the strengthening of the euro against the U.S. dollar have helped fuel the sudden resurgence in U.S. travel.

According to public relations representative Gaby Wehle, the key highlight of 2003 was the incredible 200-page special, exclusively on California, in *abenteuer und reisen* magazine with a media value of more than \$2.3 million. It will be in the bookstores for approximately six years. *Abenteuer und reisen* is the leading travel magazine in Germany, with a circulation of 120,000 and distribution in Germany, Austria and Switzerland.

Since the last reporting period, Kleber PR has organized a successful group press trip to Orange County; set up about 15 individual visits for publications like *Petra*, a popular women's magazine; created a feature supplement for *Frankfurter Rundschau*, a major regional daily newspaper; helped organize a film shoot in San Francisco for Germany's most popular TV travel feature, *Vox Wolkenlos*; and coordinated the attendance of several German media on a trade mission to Palm Springs and San Francisco. California was also featured on some of the leading TV travel programs, such as *Voxtours* TV show.

From September 2003 through January 2004, Kleber PR Network handled almost 500 media contacts related to California. The total print publicity value for the reported period was \$2,659,070. With the *abenteuer und reisen* special issue and TV coverage, the total media value was \$5,888,520.

### Japan

Japan visitation to the U.S. continues to be down, although spots of positive return have been noticed. The country's depressed economy, combined with the SARS scare, led to decrease in outbound travel of 20% in 2003, which was already significantly reduced from prior years. However, key tour operators such as JTB are reporting a more promising outlook for 2004, predicting a 23% increase in overseas travel. The Olympic Games in Athens will provide much incentive for travel to Europe, and Hawaii has already returned to near-normal levels. However, U.S. mainland travel will depend largely on the ability of Japanese players in Major League Baseball to spur travel.

Packaging trends in Japan continue to take different approaches, with wholesalers offering various programs to cater to the changing needs and purposes of travelers. Popular packages include: scenic and natural splendor components, culture and history, deluxe escorted package tours for seniors and a growing number of customized travel programs.

Signs indicate that the Japanese economy is slowly recovering, with the stock market reaching its highest levels in four years, and 20% of companies generating some 60% of the profits for entire industry sectors. The 10% appreciation of the yen compared to the U.S. dollar should help boost travel back to the U.S.

Youth Planning Center (YPC) made more than 120 personal contacts with media over the four-month period from September 2003 through January 2004, resulting in significant broadcast and print coverage. Broadcast coverage included: BSi TV series *The Best Hotels in the World* (three hotels in San Francisco were covered, with 30 minutes on each); CX TV's special 60-minute feature *Tracking Back Bruce Lee's Life in California*; CX TV's 60-minute *Topics for Living Rooms*, introducing celebrities' favorite restaurants in San Francisco; and an encore airing of Japan Broadcasting Corporation's 60-minute special *Trekking through the Great Nature of America – Yosemite*. Printed media coverage included: a 6-page special editorial "Campus Life at Three Prestigious Universities in California" in young women's magazine *JJ bis*; and 33-pages in a lifestyle information magazine, with feature articles on "San Francisco, the Mecca for Jeans," "Fisherman's Wharf in San Francisco for Food Lovers," "Auto Shows in the West Coast," and "Travelers' L.A. Map."

The total publicity value generated from September 2003 until January 2004 was \$7,345,000.

### United Kingdom

The substantial surge in the pound sterling versus the U.S. dollar has sparked a surge in travel. The U.S. has become a very affordable destination, and demand and bookings are growing strongly.

Although the additional security measures recently adopted by Homeland Security have not necessarily deterred travel, some resistance has been seen by the British travel industry in regards to the mandate of carriers permitting air marshals on all flights to the U.S. However, few cancellations have been reported by tour operators as a direct result of this initiative. Latest figures released by TIA show that arrivals to the U.S. from the United Kingdom were up 5% in September 2003, with the third quarter of the year showing an increase of 3%. Year-to-date arrivals from the UK were 2.8 million, an increase of 2%.

Overall, tour operators are indicating that early bookings and inquiries for 2004 are up significantly for the U.S. and California.

Public relations representative Lynda Daboh reports that during this period, California made the headlines for two very contrasting reasons. The first was the election of Arnold Schwarzenegger as Governor. This attracted interest from both the UK news and travel trade media, curious to see how his appointment will impact in-bound tourism. Sadly, the fires that affected Southern California in early November 2003 also attracted the interest of the news and travel media. Efforts were made by First Public Relations (FPR) to ensure reporting on the fires was accurate and objective.

California Tourism's media presence at World Travel Market was supported by FPR, communicating key messages to over 160 trade and consumer media, as well as attending the annual BAFTA reception and the TIA "See America" Media Marketplace.

Other promotional activities that FPR coordinated included: a group press tour to San Francisco and Sonoma County; several individual press trips for *Sunday Telegraph*, *The Times*, and *Sunday Times*; a 30-minute broadcast of the BBC Holiday *You Call The Shots* program, dedicated to San Francisco, with an audience of four million people and approximate value of \$1,050,000; a six-minute BBC Holiday *Coast to Coast* segment that aired in November 2003, featuring Yosemite National Park, with audience of six million people and value of approximately \$210,000.

From September 2003 until January 2004, FPR fielded 333 media inquiries and generated coverage worth of \$1,416,881. ★



# Finding Yourself Just Got Easier with the CTTC's 2004 Publications!



Headlining the new features within the *California 2004 Official State Visitor's Guide and Travel Planner* (CVG) is the "Top ten things to do in the Golden State," including: exhilarating theme park rides, shopper paradises, listening to live music, dining with your favorite stars, golfing, romantic hideaways, sampling the abundance of farmers' markets and fresh produce, wine tasting, quirky California with unusual and fun venues, and bike routes for the entire family to enjoy. The newly crafted "Faces of California" features conversations with people who make the Golden State great, including notable residents like: Nic Fiore, the

state's most loveable ski instructor; and longtime California Delta executive chef, Adam Peña. Listings of attractions, places to stay, public lands, dining and shopping make this travel planner a must-have for every California traveler! New photography and revised regional maps by Eureka Cartography round out the CVG's new look for 2004. Produced by California Travel & Tourism Publications (CTTP), the CVG has a circulation of 500,000 copies.

Major sponsors of the *California 2004 Official State Map* again include the California Fun Spots (Knott's Berry Farm Theme Park, LEGOLAND,

Monterey Bay Aquarium, San Diego Zoo, San Diego Zoo's Wild Animal Park, SeaWorld Adventure Park San Diego, Six Flags Magic Mountain and Universal Studios Hollywood). Amtrak California, the newest key sponsor, has included station locations on all maps. Revised visitor information and metro maps can assist visitors with vacation planning or when they arrive in California. Produced by CTTP, the *California 2004 Official State Map* has a circulation of one million with 500,000 copies bound into the CVG.

Thanks to the positive response of readers and advertisers, *Sunset* magazine and the CTTC have collaborated to produce a new issue of *The Best of California Drives*. A total of 850,000 four-color driving guides will be inserted into *Sunset's* June 2004 issue for drive-market subscribers in California, Arizona and Nevada. An additional 150,000 copies will be included in California Tourism's fulfillment packets.

A complete visitor information packet, including the CVG, the map and the driving guide, is available by calling 1-800-GO-CALIF or online at [www.visitcalifornia.com](http://www.visitcalifornia.com). Advertising revenues underwrite the cost of all CTTP publications. For questions regarding advertising, please contact: California Travel & Tourism Publications at 714-424-1987. ★



It looks like travelers were doing their homework during December and planning vacations to California, as requests for information packets ordered on [www.visitcalifornia.com](http://www.visitcalifornia.com) climbed 19.5 percent, compared to totals in September. California Tourism staff was also busy responding to an increase of nearly 22 percent more e-mails in December over November. During October, media visitation to the Web site's press room increased by 26 percent over September visitation. Numbers below highlight program activities from September 2003 through January 2004.

<b>Calls to toll free telephone number</b>	10,511
<b>Packets ordered on Web site</b>	27,433
<b>Packets sent from fulfillment house:</b>	
Domestic	40,758
Canadian	2,492
International	4,510
Trade	714
Student	6,074
<b>Informational calls to California Tourism</b>	2,194
<b>Packets sent from California Tourism</b>	167
<b>E-mails to California Tourism</b>	2,580
<b>Assessment calls</b>	1,237
<b>International contacts</b>	
Australia (Consumer & Trade)	220
Brazil (Consumer & Trade)	568
Germany (Consumer & Trade)	1,821
Japan (Consumer & Trade)	1,172
UK (Consumer & Trade)	932
California Tourism (Trade)	1,710
<b>Research</b>	
Contacts	123
Reports mailed	200
Research section of Web site - visitation	4,209
<b>Media Relations inquiries</b>	
California Tourism office	501
All overseas offices	931
Press room of Web site - visitation	9,169
<b>California Welcome Centers (contacts)*</b>	
CWC, Anderson	6,354
CWC, Arcata	1,996
CWC, Auburn	5,318
CWC, Barstow	65,180
CWC, Los Angeles	4,548
CWC, Merced	8,121
CWC, Oceanside	18,899
CWC, San Francisco	76,616
CWC, Santa Ana	20,156
CWC, Santa Rosa	6,910
CWC, Yucca Valley	4,546

\* These numbers reflect only walk-in visitors; they do not include information relayed through telephone, e-mail, mail and fax.

## California Tourism Represented at Major National and International Events

### On the National Front:

- **National Tour Association's Annual Tour & Travel Exchange in Charlotte, North Carolina, November 15-19, 2003.** Approximately 25 California DMOs and the CTTC took advantage of networking opportunities and generating leads at this annual convention.
- **American Bus Association's annual marketplace in New York, January 16-21, 2004.** More than 3,000 tour operators, suppliers and motorcoach representatives attended the annual gathering of businesses seeking to secure group travel.
- **L.A. Times Travel Show, February 7-8, 2004.** This travel-agent and consumer travel exhibition was coordinated with rural region partners.
- **Go West Summit in Reno, February 2-5, 2004.** The annual event caters to small and niche-type operators from the U.S. and international markets.

### On the International Front:

- **World Travel Market in London, November 8-15, 2004.** The CTTC premiered "Love Actually" at the annual BAFTA luncheon attended by 100 VIP tour operators. At WTM, the world's largest English-speaking travel trade exhibition, a new stand was unveiled that included 18 California destinations and 25 delegates.
- **California, Las Vegas and Arizona Sales Mission to Mexico City and Guadalajara, January 19-23, 2004.** A total of 25 California delegates participated in this program to conduct tour operator appointments, travel agent educational seminars and table-top trade shows.
- **Confex in London, February 24-26, and IMEX in Frankfurt, May 12-14, 2004.** The CTTC's UK and German representation offices organized California stands at both events to target the UK and European meeting and incentive business for 2004-2007.

- **International Tourism Boerse in Berlin, March 12-16, 2004.** Several California travel industry partners exhibited at this German consumer and European trade travel show.
- **California Travel Market in Anaheim, April 22-24, 2004.** The CTTC is gearing up to welcome international and domestic tour operators at this unique, invitation-only educational conference and marketplace.
- **TIA Discover America Pow Wow in Los Angeles, April 24-28, 2004.** This year, the CTTC is a major sponsor of this industry-leading travel event that receives about 3,500 trade and media, and will unveil a new booth. With the event occurring in California for the first time in eight years, the travel industry is sure to maximize its exposure and secure substantial business opportunities! ★



## CTTC Receives Awards in Six Categories

The Hospitality Sales and Marketing Association International (HSMAI) honored the California Travel and Tourism Commission (CTTC) for a year of marketing excellence during the 14th annual awards dinner in New York City on January 26, 2004. The six awards included: Gold Award for Complete Campaign – Spring Campaign; Silver Awards for Newsletter – *Insights*, Complete Campaign – *The Best of California*, Advertising Series – Spring Print Campaign, and TV – “Welcome to California;” and Bronze Award for Web site – [www.visitcalifornia.com](http://www.visitcalifornia.com).



The HSMAI Adrian Advertising, Golden Bell Public Relations and Golden Click Web Awards competitions have grown to become the largest and most prestigious events of their kind in the world. The awards were created to honor and showcase the best in hospitality and travel advertising, marketing materials, public relations and Web site design and development. Last year, the three contests attracted more than 1,800 entries from 52 countries. ★



## Ritz-Carlton, Laguna Niguel Wins AAA's Five Diamond Rating

The Ritz-Carlton, Laguna Niguel continued its reign as king of California luxury hotels, earning its 18th consecutive Five Diamond rating from the American Automobile Association. It is the only hotel in California to gain the coveted award for more than 12 straight years. The Dining Room, the property's premier restaurant, received Five Diamond status for the fourth consecutive year.

2004 Five Diamond Award. The Ritz-Carlton, Huntington Hotel & Spa in Pasadena earned its first AAA Five Diamond. The AAA hotel guides lists about 40,000 lodgings and restaurants, but less than one-half of one percent earn the top rating. California is home to the most Five Diamond properties with 15 lodgings and five restaurants. ★

Next on the Five Diamond seniority list were the Four Seasons Hotel Newport Beach and The Ritz-Carlton, Marina del Rey, which earned their 12th consecutive awards for world-class service. The St. Regis Monarch Beach Resort & Spa in Dana Point, which opened in 2001, made the Five Diamond list for the second consecutive year. Altogether, 12 Southern California hotels and two restaurants met the stringent standards set by AAA to achieve the

## CLIA Goes to India



*Pictured (left to right): Rick Lawrence, CTTC Commissioner and President and CEO of the California Lodging Industry Association (CLIA); Sima Patel, new CLIA Board Chair and Oakland hotelier; and the Honorable Amitabh Kant, India's Joint Secretary of Tourism. The three met in New Delhi, India during a recent CLIA Goodwill Mission that included 16 California lodging industry leaders. ★*

## Kendall-Jackson Winery Receives Prestigious Honor



Kendall-Jackson has garnered honors as America's top medal-winning winery, according to *California Wine Winners 2004*. *California Wine Winners* tabulates its results by compiling medals awarded to each wine entered in nine major national wine competitions, including the Los Angeles County Fair, the California State Fair and the Orange County Fair. Kendall-Jackson tallied an impressive 581 points based on reception of several “Best of Class” gold, silver and bronze medals. Also, *Wine & Spirit* magazine named Kendall-Jackson one of its “Multi-Source Wineries of the Year” after blind tasting nearly 3,500 newly-released American wines in 2003. ★

## New Web Site for California Welcome Centers

The [www.visitcwc.com](http://www.visitcwc.com) Web site is now online! Each of the 11 official California Welcome Centers (CWCs) has a special section that includes: general information, attractions, lodging, transportation and regional information. Although California Tourism administers and oversees the program, the CWCs are independently operated. For more information about the listings in your region, contact the CWCs directly at the addresses provided online. For advertising opportunities or general information, contact Janice Simoni, California Welcome Centers Manager, at 916-445-1094 or [jsimoni@tourism.ca.gov](mailto:jsimoni@tourism.ca.gov). ★





# Forecast for California Travel through Summer 2004

By Alison Powers  
Research Manager,  
D.K. Shifflet & Associates Ltd.

Magic Eight Ball, give me a sign? What is the outlook for travel in California? *Ask again later.* Magic Eight Ball, what is the outlook for travel in California this spring? *Cannot predict now.* OK, spherical genius, now what is the outlook for travel in California this summer? *Reply hazy, try again.*



Given the challenges the travel industry has faced over the last few years, it is no surprise that even the Magic Eight Ball cannot shed some light on the future of travel in California. Fortunately, there are research tools that can help to see a snapshot into the future. Seasonal forecasting has typically helped the California Travel and Tourism Commission to obtain an outlook on travel to and through California up to seven months in advance. And for the summer of 2004, *Outlook Good.*

Earlier projections indicated that travel to and through California in the early seasons of 2004 would be below the seasonal forecast for 2003. However, as time has progressed, the forecast for summer 2004 is up.

Total travel to and through California is projected to be 2.1% higher than forecasted in 2003. This increase is led by the leisure travel segment, which is forecasted to increase 2.3% over 2003. The business travel segment is projected to be up 1.2% from summer 2003, and with the gains in leisure travel, the result will

*continued on page 12*

## Economic Impact of Travel for 2003 (Preliminary State Estimates)

- Visitor spending on accommodations, food services, recreation and transportation in California totaled an estimated \$78.2 billion in 2003, up 5% from 2002.
- Visitor spending supported 894,000 jobs, with earnings of \$25.9 billion.
- Visitor spending generated \$3.2 billion in state tax receipts and \$1.8 billion to local jurisdictions.
- As an employer, travel and tourism ranks fourth in the state after professional and technical services, health care, and construction.

Source: Dean Runyan Associates, March 2004



Forecast for California Travel

continued from page 11



be a projected increase for total travel in summer 2004.

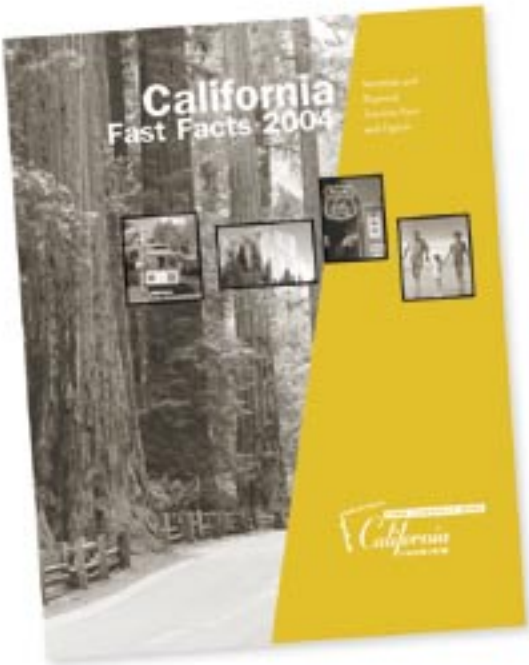
California residents are tried and true visitors of the state. Travel by in-state residents is forecasted to be 1.2% higher in summer 2004 compared to 2003. Non-resident travel to and through California will hopefully recover with an increase forecasted 7.3% above 2003 projections.

Visitors may also take more overnight trips during the summer of 2004, as total overnight leisure travel to and through California is expected to be 2.5% above the projections

for summer 2003. The overnight leisure segment leads this growth with an increase of 3.1% above 2003 projections, while overnight business remains flat. One can depend again on California residents to keep the tourism industry busy, as overnight travel by in-state residents is projected to increase 1.0% above the 2003 forecast. Overnight travel by non-resident visitors is also expected to be up 6.3% above the summer 2003 forecast.

While total travel to and through California is projected to be up in the summer of 2004, all of the sophisticated forecasting could not predict many of the events that the nation and our neighbors experienced over the last few years, and the subsequent impact they had on travel. We all know that terror attacks and global epidemics are not predictable in a forecasting model and will definitely throw projections off kilter. As far as the forecast for summer 2004 appears, *Outlook Good.* ★

Get Your Copy of California Fast Facts 2004



The latest catalog of California's tourism statistics – *California Fast Facts 2004* – is now available. A handy reference to California travel facts and figures, this publication includes: domestic and international visitor volumes; trends in tourism; regional profiles; airport arrivals; attendance at major attractions, and state and national parks; and much more! To download, go to the "Travel Industry" section of [www.visitcalifornia.com](http://www.visitcalifornia.com),

click on "Research and Statistics," and then on *California Fast Facts 2004*. To request a hard copy of the report, contact:

Research – California Tourism  
980 9th Street, Suite 480  
Sacramento, CA 95814  
E-mail: [research@cttc1.com](mailto:research@cttc1.com)  
Web site: [www.visitcalifornia.com](http://www.visitcalifornia.com)  
Tel: 916-327-3391  
Fax: 916-322-3402 ★

Spring to Summer 2004 Travel Forecast



	Spring** 2004F	Spring 03/04F % Chg.	Summer** 2004F	Summer 03/04F % Chg.
Total Travel to and through CA	81.2	2.2%	93.3	2.1%
Business	23.1	1.7%	19.1	1.5%
Leisure	58.1	2.3%	74.2	2.3%
Residents	70.7	1.2%	78.1	1.2%
Non-Residents	10.6	8.8%	15.2	7.3%
Average Expenditures* (ppd)	\$75.0	-5.4%	\$74.7	-5.6%
Total Overnight Travel to and through CA	32.6	2.5%	44.1	2.5%
Business	8.0	-0.6%	8.2	-0.2%
Leisure	24.6	3.6%	35.9	3.1%
Residents	23.1	0.8%	31.4	1.0%
Non-Residents	9.5	6.9%	12.8	6.3%
Length of Stay (days)	3.5	0.9%	3.8	0.6%
Average Expenditures* (ppd)	\$82.7	-2.4%	\$77.3	-2.9%

F = forecast

All volume figures are in millions of person-trips. Expenditures are per person per day (ppd).

\* Excludes transportation expenditures.

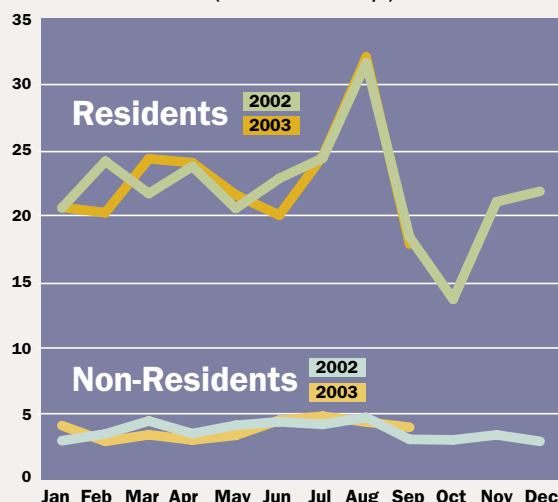
\*\*Spring = March, April, May; Summer = June, July, August

This seasonal forecast from D.K. Shifflet & Associates Ltd. reflects their enhanced seasonal forecasting method. The method, which is based on the ARIMA (Box-Jenkins) forecasting method, utilizes seasonal data from the past four years to advance the forecasting period through the present season and well into the future.



## Domestic Travel To And Through California

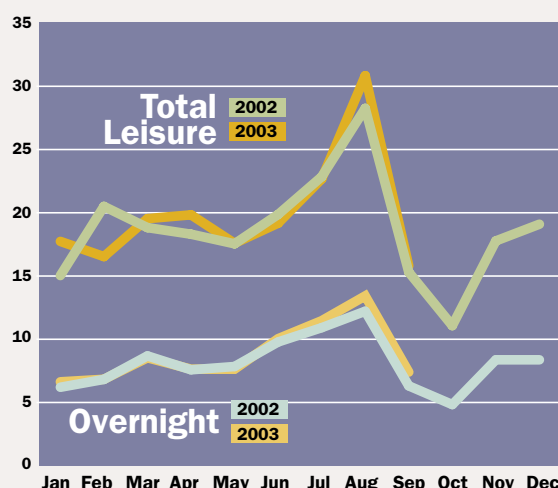
(Millions of Person Trips)



The summer of 2003 did not noticeably inspire out-of-state or in-state residents to travel more within California compared to summer 2002.

## Domestic Leisure Travel To And Through California

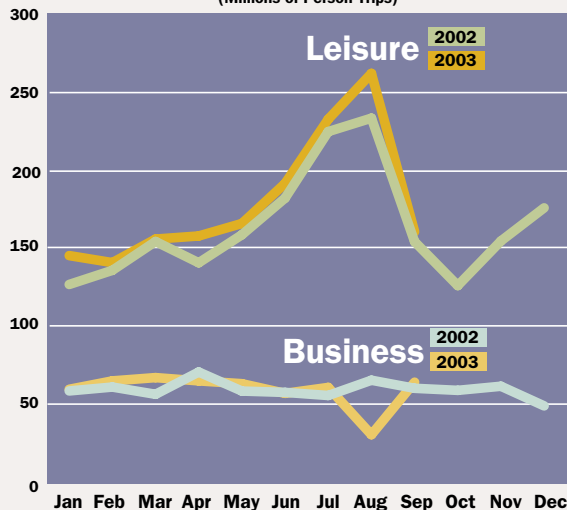
(Millions of Person Trips)



Overnight leisure travel during the period June through September 2003 pulled slightly ahead of prior year levels.

## Domestic Travel To And Through the U.S.

(Millions of Person Trips)



Nine straight months of positive performance in 2003 strengthen the case for leisure travel recovery at the national level. Business travel did not improve over 2002.

Source: D.K. Shifflet & Associates Ltd.

# Two New Reports Available from California Tourism

### *California Tourism Advertising Effectiveness & ROI Research*

provides results of phase two of the evaluation of California Tourism's spring 2003 advertising campaign. The report compares ad awareness, total and incremental trips taken by survey respondents in three market segments, and actual travel spending. The effectiveness of television versus print messages is also analyzed. Prepared for California Tourism by Strategic Marketing & Research, Inc.

*California Travel Impacts by County, 1993-2002* is California's annual report on travel-related expenditures,

jobs, earnings, and state and local taxes for every county in the state. The report also includes preliminary estimates at the state level for 2003 (see shaded box on page 11). Prepared for California Tourism by Dean Runyan Associates. Copies may be downloaded at [www.deanrunyan.com](http://www.deanrunyan.com).

To order, contact:  
Research – California Tourism  
980 9th Street, Suite 480  
Sacramento, CA 95814  
Web site: [www.visitcalifornia.com](http://www.visitcalifornia.com)  
Tel: 916-327-3391  
Fax: 916-322-3402 ★



## Announcing... California Tourism's Research Bulletin

A monthly online bulletin is now available at [www.visitcalifornia.com](http://www.visitcalifornia.com) with updates on key travel indicators, such as hotel occupancy, California Welcome Centers, Web site visits, and domestic and

international airport arrivals at LAX and SFO. To receive a free monthly e-mail subscription linking to the site, send a request to Tiffany Urness, California Tourism Research Manager, at [research@cttc1.com](mailto:research@cttc1.com). ★

## Defining Moment:

Millenials is a term used to describe the generation born after 1980, sometimes called Generation Y, who have never known a world without cell phones, CDs or MTV.



# Research Round-up

## D.K. Shifflet & Associates Ltd.

### *Increased Terror Threat Level Changes Travelers' Plans*

Twenty-five percent of travelers say they change their travel plans when the government increases threat levels, according to a study by D.K. Shifflet & Associates Ltd. (DKS&A). The negative impact is greater on leisure travel than on business travel, with twice as many leisure travelers saying they drop their travel plans (8%), while business travelers are more likely to simply delay their travel. The most common change for both groups is to change their travel plans to a perceived "safe location." There is no charge for this January 2004 media release.

To order, contact:  
D.K. Shifflet & Associates Ltd.  
7115 Leesburg Pike  
Falls Church, VA 22043  
Web site: [www.dksa.com](http://www.dksa.com)  
Tel: 703-536-0500

## Travel Industry Association of America

### *Geotourism: The New Trend in Travel*

The term "geotourism" is defined as tourism that sustains or enhances the geographical character of the place being visited – its environment, culture, aesthetics, heritage, and the well-being of its residents. This study examines the travel habits and attitudes of the existing and potential market for geotourism. Cost is \$135 for members and \$225 for non-members.

### *The Historic/Cultural Traveler, 2003 Edition*

This report consists of an updated profile of U.S. trips that include cultural/historic activities. Cost is \$135 for members and \$225 for non-members.

## Europe Travel Demand: Trends and Insights

Highlights from this 2003 edition include: outbound travel from Europe has grown over 36 percent in the past decade and is the most important inbound travel market for the U.S. from outside North America; repeat visitation is very high; in 2002, more than three-quarters (77%) of European visitors to the U.S. had visited twice or more in the past five years; use of prepaid packages is falling; and use of the Internet for travel planning more than tripled between 1998 and 2002.

### *Tourism Works for America, 12th Annual Edition 2003*

This edition brings together the most current information on: domestic and international expenditures; employment; leisure and business travel; and how travel and tourism impacts specific market segments, such as cultural, RV, meetings and

conventions, retail and restaurants. Cost is \$25 for members and non-members, and bulk prices are available.

To order, contact:  
Travel Industry Association of America  
1100 New York, NW, Suite 450  
Washington, DC 20005-3934  
Web site: [www.tiaa.org](http://www.tiaa.org)  
Tel: 202-408-8422  
Fax: 202-408-1255

## PKS Research Partners

### *Gay and Lesbian Travel Profile*

A syndicated study was conducted in March 2004 on these travel segments.

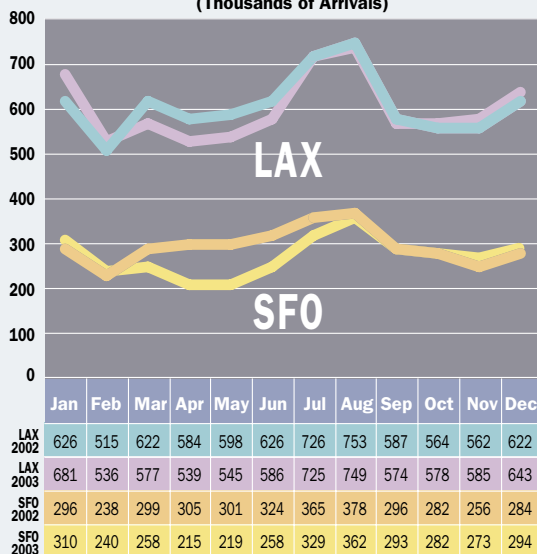
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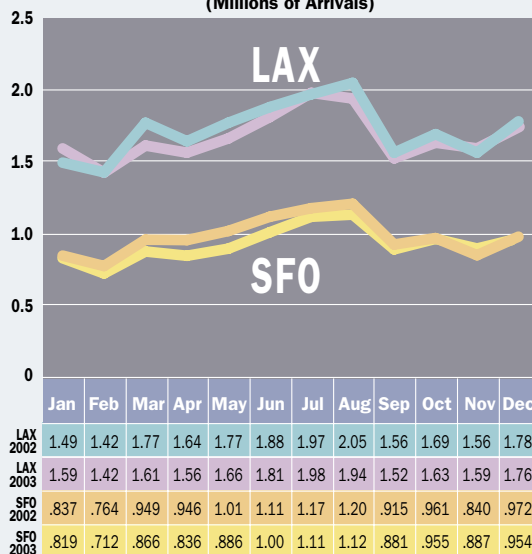
## Airport Arrivals

Sources: City of Los Angeles Dept. of Airports, SFO Bureau of Communications, San Diego Unified Port District Airport Operations Dept., Oakland Airport Finance Office

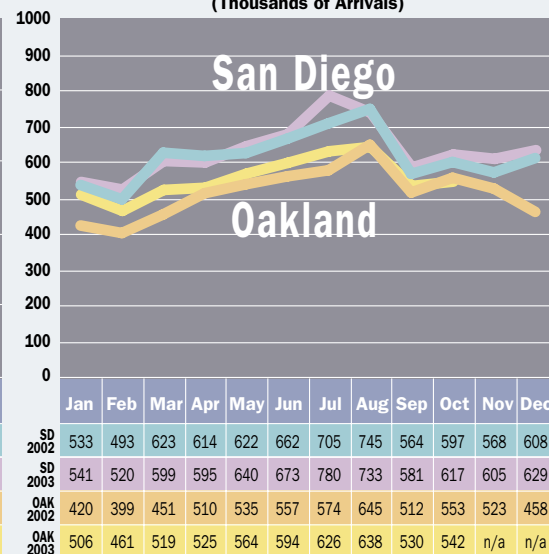
**International Air Arrivals  
Los Angeles & San Francisco**  
(Thousands of Arrivals)



**Domestic Air Arrivals  
Los Angeles & San Francisco**  
(Millions of Arrivals)



**Domestic Air Arrivals  
San Diego & Oakland**  
(Thousands of Arrivals)







## Lodging Report

### Upcoming Conferences and Workshops

**International Travel and Tourism Research Association, June 20-23, 2004 in Montreal, Canada.**

This year's conference is themed "Measuring the Tourism Experience: When Experience Rules, What is the Metric of Success?" For information, visit [www.ttra.com](http://www.ttra.com)

**Conference on Information Technology in the Hospitality Industry, June 20-21, 2004 in Dallas, Texas.**

This annual conference of Hospitality Financial & Technology Professionals (HFTP) brings together academics, vendors, consultants and practitioners to promote discussion of current IT issues, trends, challenges and opportunities, and to provide effective networking opportunities. For more information, go to [www.hitec.org](http://www.hitec.org). ★

## Did You Know?

9.6 million Californians and 1.3 million out-of-state residents traveled to or through California on a group tour in 2002.

Source: *Domestic Travel Report Year End 2002*, D.K. Shifflet & Associates Ltd.

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Research – California Tourism  
980 9th Street, Suite 480  
Sacramento, CA 95814  
[research@cttc1.com](mailto:research@cttc1.com)

Location	Oct. 03 % average occupancy rates	Nov. 03 % average occupancy rates	Dec. 03 % average occupancy rates	Year 03 % avg.	Year 03 % Chg 02/03
United States	63.4	55.1	47.3	59.2	0.2
Pacific	65.7	60.0	53.7	63.5	0.8
California	66.4	61.6	54.5	63.9	0.6
California North	64.5	55.3	48.4	61.3	-3.2
California North Area	61.4	55.4	50.2	60.3	-2.3
California North/Central	54.9	48.7	52.7	60.0	2.7
California South/Central	66.3	56.8	50.3	60.8	1.5
Anaheim-Santa Ana	65.3	66.5	61.8	66.9	3.9
Bakersfield	63.6	55.3	50.1	58.8	-1.8
Eureka/Crescent City	59.8	44.7	47.4	58.2	5.1
Fresno	70.9	61.7	53.2	63.9	5.4
Inyo/Kings/Tulare	63.0	50.8	45.7	58.8	0.2
Los Angeles-Long Beach	72.8	67.0	60.9	67.4	2.4
Oakland	58.8	53.5	48.3	55.0	-6.6
Central Coast	65.8	58.8	49.1	63.7	-1.1
Redding/Chico	61.8	54.6	51.9	60.9	-6.2
Riverside-San Bernardino	67.6	67.2	58.0	64.5	1.3
Sacramento	61.7	53.5	50.1	61.8	-2.2
San Diego	68.0	66.7	56.6	69.5	1.9
San Francisco/San Mateo	69.1	62.8	51.3	62.6	2.1
San Jose-Santa Cruz	57.7	50.5	43.0	54.5	-6.2
Santa Rosa-Petaluma	63.7	50.4	39.7	56.9	-5.5
Stockton Area	64.7	56.7	52.1	64.6	0.6
Vallejo-Fairfield-Napa	72.5	62.9	50.3	66.9	-4.0

Source: Smith Travel Research

### California Welcome Centers (CWCs)

	Oct. 03	Nov. 03	Dec. 03	4th Qtr total visitors	4th Qtr % Chg 02/03	Year 03 % Chg 02/03
	number of visitors					
CWC, Anderson	2,668	2,062	1,550	6,280	-13.4%	-13.7%
CWC, Arcata	1,536	763	614	2,913	4.6%	7.4%
CWC, Auburn*	2,033	1,980	1,459	5,472	NA	NA
CWC, Barstow	7,234	20,113	25,642	52,989	139.3%	45.6%
CWC, Los Angeles	1,457	1,220	1,900	4,577	-56.5%	-65.1%
CWC, Merced	4,341	2,798	2,663	9,802	7.3%	21.5%
CWC, Oceanside	6,981	5,369	6,242	18,592	54.4%	16.7%
CWC, PIER 39	33,502	27,516	29,202	90,220	30.3%	13.9%
CWC, Santa Ana	5,814	5,830	8,091	19,735	7.1%	3.6%
CWC, Santa Rosa**	3,978	2,450	2,191	8,619	NA	NA
CWC, Yucca Valley	1,718	1,438	1,409	4,565	69.1%	106.8%

\* = opened September 2002 \*\* = opened July 2003

Sources: CWC, Anderson; CWC, Arcata; CWC, Auburn; CWC, Barstow; CWC, Los Angeles; CWC, Merced; CWC, Oceanside; CWC, PIER 39; CWC, Santa Ana; CWC, Santa Rosa; CWC, Yucca Valley

# Travel Statistics Q&A

**Q:** What do an estimated 14% of American travelers take along on their trips?

**A:** Their pets

Source: Travel Industry Association of America

## Got a name or address change?

Just fax any changes to us at 916-444-0410. Please include a copy of your current mailing label with any necessary corrections.



# Travel Trade Calendar

## April 2004

22-23	California Travel Market (CTM)	Anaheim, CA
24-28	TIA Discover America Pow Wow	Los Angeles, CA

## May 2004

6-7	Assoc. of Airline Representatives of Guadalajara (ARLAG)	Guadalajara, Mexico
8-16	21st Annual National Tourism Week	Nationwide
16-20	Society of American Travel Writers (SATW)	Richmond, VA
10-12	International Meetings Exhibition (IMEX)	Frankfurt, Germany

## June 2004

21-25	See America Week UK	London, England
23-24	CTTC Commission and Marketing Committee Meetings	Marina del Rey, CA

## August 2004

21-24	Educational Seminar for State Travel Officials (ESTO)	Boston, MA
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## September 2004

5-10	SATW Annual Convention	St. Moritz, Switzerland
24-26	Japan Assoc. of Travel Agencies (JATA)	Tokyo, Japan

## INSIGHTS

State of California  
**Arnold Schwarzenegger**,  
Governor

California Business, Transportation  
and Housing Agency  
**Sunne Wright McPeak**, Secretary  
Chair, California Travel and  
Tourism Commission

Division of Tourism/California Travel  
& Tourism Commission

**Caroline Beteta**,  
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**Leona Reed**, Communications  
Coordinator/Assistant Editor

Published by  
**Ward Associates, Sacramento**

*Insights* is a bi-annual publication of California Tourism, a joint marketing venture of the California Travel and Tourism Commission (CTTC), and the California Business, Transportation and Housing (BT&H) Agency. Commercial information used in this newsletter does not constitute an endorsement. Opinions expressed by guest columnists are not necessarily those of California Tourism. With the exception of guest columns, articles contained in *Insights* may be reproduced without permission; however, acknowledgment is appreciated.

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